

## REMARKS

It is respectfully submitted that the requirement under 35 U.S.C. §112 to select a predetermined number of claims for examination on the merits is in error and should be withdrawn, for the reasons indicated below.

### **I. Claims not repetitious**

MPEP 2173.05(n) states:

2173.05(n) Multiplicity [R-2] - 2100 Patentability

2173.05(n) Multiplicity [R-2]

37 CFR 1.75 Claim(s).

(a) The specification must conclude with a claim particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention or discovery.

(b) More than one claim may be presented provided they differ substantially from each other and are not unduly multiplied.

Where, in view of the nature and scope of applicant's invention, applicant presents an unreasonable number of claims which \*\* are repetitious and multiplied, the net result of which is to confuse rather than to clarify, a rejection on undue multiplicity based on 35 U.S.C. 112, second paragraph, may be appropriate. As noted by the court in *In re Chandler*, 319 F.2d 211, 225, 138 USPQ 138, 148 (CCPA 1963), "applicants should be allowed reasonable latitude in stating their claims in regard to number and phraseology employed. The right of applicants to freedom of choice in selecting phraseology which truly points out and defines their inventions should not be abridged. Such latitude, however, should not be extended to sanction that degree of repetition and multiplicity which beclouds definition in a maze of confusion. The rule of reason should be practiced and applied on the basis of the relevant facts and circumstances in each individual case." See also *In re Flint*, 411 F.2d 1353, 1357, 162 USPQ 228, 231 (CCPA 1969). Undue multiplicity rejections based on 35 U.S.C. 112, second paragraph, should be applied judiciously and should be rare.

If an undue multiplicity rejection under 35 U.S.C. 112, second paragraph, is appropriate, the examiner should contact applicant by telephone explaining that the claims are unduly multiplied and will be rejected under 35 U.S.C. 112, second paragraph. Note MPEP § 408. The examiner should also request that applicant select a specified number of claims for purpose of examination. If applicant is willing to select, by telephone, the claims for examination, an undue multiplicity rejection on all the claims based on 35 U.S.C. 112, second paragraph, should be made in the next Office action along with an action on the merits on the selected claims. If applicant refuses to comply with the telephone request, an undue multiplicity rejection of all the claims based on 35 U.S.C. 112, second paragraph, should be made in the next Office action. Applicant's reply must include a selection of claims for purpose of examination, the number of which may not be greater than the number specified by the examiner. In

response to applicant's reply, if the examiner adheres to the undue multiplicity rejection, it should be repeated and the selected claims will be examined on the merits. This procedure preserves applicant's right to have the rejection on undue multiplicity reviewed by the Board of Patent Appeals and Interferences.

Also, it is possible to reject one claim on an allowed claim if they differ only by subject matter old in the art. This ground of rejection is set forth in *Ex parte Whitelaw*, 1915 C.D. 18, 219 O.G. 1237 (Comm'r Pat. 1914). The *Ex parte Whitelaw* doctrine is restricted to cases where the claims are unduly multiplied or are substantial duplicates. *Ex parte Kochan*, 131 USPQ 204, 206 (Bd. App. 1961). (Underlining for emphasis)

Kindly note the underlined term "\*\*\*repetitious" (\*\* emphasis in the original) in the first full paragraph of the MPEP text. It is respectfully submitted that, although there are 81 claims presented for examination, such claims are not repetitious in nature. It is noted that the Office Action omitted the term "repetitious" from its rejection under 35 U.S.C. §112 in its rationale for applying this Office guideline to the claims of the present application.

It is respectfully submitted that the pending independent claims define different forms of a same embodiment (e.g., method of conducting an auction, auction, computer system for performing an auction and computer readable media claim) as allowed under 35 U.S.C., the patent rules and the MPEP, or the claims define different embodiments and thus include materially different limitations from one another. This is the case for independent claims 1, 8, 11 and 18; 25, 32 and 39; 46, 52 and 58, and independent claims 64, 70 and 76. The claims of each group are internally self-consistent, as defining different forms of a same embodiment. In turn, each of these groups of claims are drawn to different embodiments of auctions, methods of conducting auctions, computer systems for conducting auctions and computer readable media.

For example, claims 25, 32 and 39 include a recitation:

**optionally sending at least one second bid for the item at the increased second asking price to the remote server, the item ultimately being awarded to a user of the plurality of users having placed a last second bid.**

which does not appear in any of the claims 1, 8, 11, 18, 25, 46, 52, 58, 64, 70 or 76.

Likewise, claims 46, 52 and 58 include the recitation:

**awarding the item to the first bidder at the then current offering price unless, after the first bid is received, at least one additional bidder bids lower than the first bid within a predetermined time interval after the first bid is received.**

which does not appear in any of the claims 1, 8, 11, 18, 25, 32, 39, 64, 70 and 76.

Similarly, claims 64, 70 and 76 include the recitation:

**optionally sending at least one second bid for the item at the decreased second offering price to the remote server, the item ultimately being awarded to a user of the plurality of users having placed a last second bid.**

which does not appear in any of the claims 1, 8, 11, 18, 25, 32, 39, 46, 52 and 58.

As these groups of claims are not repetitious in nature, MPEP 2173.05(n) cannot be applied thereto. It is respectfully submitted that there is no obfuscation, beclouding or confusion intended. Instead, a number of different embodiments are presented in different claim formats, each written from the point of view of a predetermined target infringer or infringing method or device.

**II. The Office did not afford the undersigned the opportunity to select claims over the telephone as required by MPEP §2173.05(n).**

MPEP §2173.05(n) states that the Examiner “should contact the applicant by telephone” and “should request that the applicant select a specified number of claims for examination.” This procedure, however, was not carried out and the applicant was not afforded the opportunity to select claims by telephone.

Notwithstanding, Applicant’s traverse of this requirement, Applicant’s representative provisionally elects claims 1-24 for examination on the merits. The grouping of claims is as follows:

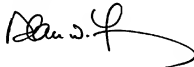
Group I	claims 1-24 (selected);
Group II	claims 25-51;
Group III	claims 52-63, and
Group IV	claims 64-81.

Again, it is emphasized that MPEP 2173.05(n) only applies when there are an undue number of repetitious claims, which is not the case here.

In view of the foregoing, therefore, it is hereby respectfully requested that the 35 U.S.C. §112 rejections of the claims be reconsidered and withdrawn.

It is believed that the present application is now in condition for examination on the merits. In the event that the Examiner has any questions relating to this application, the Examiner need only telephone the undersigned, and whatever is required will be done at once.

Respectfully submitted,



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By: \_\_\_\_\_

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